

# Quick Reference: Form 760PY - Tax Year 2022

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## Types:

- **Category 3:** Tax Due return received with or without payment
- **Category 4:** Refund returns

## Process as Direct File:

- E-file indicator of **XXXXXX** on Form 760PY is shown in the bottom right portion of the document below Line 12, Column C.
  - If the indicator **XXXXXX** is printed on the return, highlight the indicator using a YELLOW highlighter.
- Return's address doesn't belong in your locality.

## Key Items to Review:

- Special Filing Situation: Form 760PY and Form 763 filed in the same tax year by a taxpayer.
  - Allocate withholding as applicable.
  - Make notations on both the Form 760PY and Form 763.
- Local Tax Due Returns
  - LTD bubble must be filled/"X" entered on LTD line.
  - Payment amount (or ZERO/"0") must be entered on the \$ \_\_\_\_ line.
- Locality Code – the proper 3-digit FIPS Code must be entered.
- Itemized Deductions claimed on Line 11 - check for a Virginia Schedule A.
  - If Virginia Schedule A is missing, code **"SA"**
- Federal Return – code **"FX"** if not attached.
- Federal Form 1310- code **"DX"** if attached.
- Dates of residence in Virginia.
- Farmer, Fisherman, and Merchant Seaman checkbox is checked:
  - Return filed on or before April 15, 2023 - code **"IX"**
  - Return filed after April 15, 2023 - code **"UX"**
- Ensure the "Prorated Exemption Amount" on Line 13 is correct.
- Review for Credit for Tax Paid to Another State on line 24.
  - If claimed and the total credit is equal to or greater than \$500, code **"MX"**
- Review Schedule OSC credit amount(s) and Form 760PY net tax amount.
  - If tax amount is smaller than credit, adjust the OSC income percentage as needed.
- Form 760C or 760F – if included code **"CX"**

## Group Returns in Stacks:

- **Timely** Farmer, Fisherman, Merchant Seaman returns.
- **Late** Farmer, Fisherman, Merchant Seaman returns.
- **All other** screened returns to be handled as **LOCAL** file returns.
- Returns to be handled as **DIRECT** file returns.

## Transmittal to Virginia Tax:

- Complete a LAP-SORT 1 or LAP-SORT 2 form for each stack of returns.
- Rubberband the returns in each stack together.